



**SPECIAL MEETING OF THE COMMON COUNCIL
MIDDLETOWN, CONNECTICUT
JULY 23, 2012**

Special Meeting	A special meeting of the Common Council of the City of Middletown was held in the Council Chamber on Monday, July 23, 2012 at 6:30 p.m.
Present	Mayor Daniel T. Drew, Council members Thomas J. Serra, Gerald E. Daley, Robert Santangelo, Grady L. Faulkner, Jr., Philip J. Pessina, Linda Salafia, Todd G. Berch; Corporation Counsel Daniel B. Ryan; Sergeant-at-arms Officer Inglis; and Council Clerk Marie Norwood.
Absent	Council Members Ronald P. Klattenberg, Mary A. Bartolotta, Hope P. Kasper, Joseph E. Bibisi, and Deborah Kleckowski.
Also Present	Two members of the public
Meeting Called to Order	The Mayor calls the meeting to order at 6:37 p.m. and leads the public in the Pledge of Allegiance.
Call of Meeting Read	The Call of Meeting was read and accepted. The Mayor declares the Call a Legal Call and the Meeting a Legal meeting.
Public Hearing Opens	The Chair opens public comment at 6:38 p.m. and asks if there are any members of the public wishing to address the Council on agenda items.
Public Comment Closes	The Chair seeing no one wishing to address the Council, closes the public hearing at 6:38 p.m.

The Chair asks if there are any questions to directors; seeing none, the Chair asks the Clerk to read the Bond Ordinance Request and the Certificate of the Director of Finance.

Bond Ordinance Notice

NOTICE OF PUBLIC HEARING

Notice is hereby given that a meeting of the Common Council of the City of Middletown will be held in the Council Chamber of the Municipal Building on July 23, 2012, at 6:30 p.m. to consider and act on the following:

AN ORDINANCE APPROPRIATING \$585,000 FOR THE PURCHASE OF CERTAIN CAPITAL NON-RECURRING EQUIPMENT AND AUTHORIZING THE ISSUE OF \$585,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Any and all persons interested may appear and be heard. The complete text of each proposed Ordinance is on file and open to public inspection in the office of the City Clerk.

ATTEST:
Daniel T. Drew
Mayor

Certificate of Director

To: His Honor Mayor Daniel T. Drew
and Members of the Common Council
From: Finance
Date: July 19, 2012
RE: Certification of Funds

This is to certify that funds for the appropriations requested at your meeting of July 23, 2012 are available as follows:

Purchase of Certain Capital	\$585,000
Non-Recurring Equipment	
Ordinance Bond Issue	

Respectfully submitted,
Carl Erlacher
Director of Finance

Agenda Item 5-1

The Chair recognizes Councilman Daley for agenda item 5-1.

Councilman Daley reads the bond ordinance regarding Capital Nonrecurring Expenses in the amount of \$585,000, through Section 1 in its entirety.

Motion to Waive Rules

Councilman Serra moves to waive the rules by waiving the reading of the remainder of the bond ordinance; Councilman Pessina seconds the motion. The Chair calls for discussion. Hearing none, he calls for the vote. It is unanimous to approve with seven aye votes. The Chair states the matter passes unanimously with seven affirmative votes.

Councilman Daley moves the bond ordinance for approval; Councilman Serra seconds his motion.

Councilman Pessina is recognized and states he has two quick questions. In reference to the pick-up trucks for Park and Recreation and one for Public Works, will they come in front of Finance and Government operations to make sure they are fuel efficient and they are in line with the way the City is going. The Chair responds they will come before they are purchased and it will be the make and model and not the purchase.

Councilman Pessina states was there an opportunity for the equipment to get grants – were there grant opportunities. The Chair responds nothing he knows about and they are pursuing outside funding. This was part of the plan this year for bonding some of the capital non-recurring expenses and we will attempt to recoup if there are grant funds.

Councilman Berch is recognized and states he recommends, through the Chair, that they are American vehicles.

The Chair, seeing no further discussion, calls for the vote on the bond ordinance by roll call; he states indicate your approval by saying aye and if in opposition, saying nay.

Councilwoman Bartolotta	Absent
Councilman Berch	Aye
Councilman Bibisi	Absent
Councilman Daley	Aye
Councilman Faulkner	Aye
Councilwoman Kasper	Absent
Councilman Klattenberg	Absent
Councilwoman Kleckowski	Absent
Councilman Pessina	Aye
Councilwoman Salafia	Aye
Councilman Santangelo	Aye
Councilman Serra	Aye

The vote is unanimous with seven aye votes. The Chair declares the matter passes unanimously seven affirmative votes.

Ordinance No.	20-12
File Name	CityofMiddleotwn-Capitalnonrecurringequip2012
Description	AN ORDINANCE APPROPRIATING \$585,000 FOR THE PURCHASE OF CERTAIN CAPITAL NON-RECURRING EQUIPMENT AND AUTHORIZING THE ISSUE OF \$585,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE.

(Approved)

Section 1. The sum of \$585,000 is hereby appropriated for the purchase of the capital non-recurring equipment set forth below, including, without limitation, installation, training and support, equipment, consultants, testing, legal, administrative and financing costs as may be accomplished within said appropriation (hereafter the "Project"). Said appropriation shall be inclusive of state and federal grants in aide thereof.

- CENTRAL COMMUNICATIONS DEPARTMENT
 - Communications Equipment/Receivers
- LIBRARY DEPARTMENT
 - Materials Security System
- PARKS & RECREATION DEPARTMENT
 - Two (2) Pick-Up Trucks
 - Two (2) Power Rakes
- POLICE DEPARTMENT
 - Portable Radios
 - Video Interview System
 - Video Recording
 - IT Infrastructure
- PUBLIC WORKS
 - Two (2) Dump Trucks
 - One (1) Pick-Up Truck

IT DEPARTMENT

Replacement of UPS System

Section 2. The expected useful life of the Project is at least ten (10) years. The total estimated cost of the Project is \$585,000, no portion of which is expected to be paid from sources other than the proposed bond issue.

Section 3. To meet said appropriation \$585,000 bonds of the City, or so much thereof as may be necessary for said purpose, may be issued, maturing not later than the tenth (10th) year after their date, or such later date as may be allowed by law. The bonds may be issued in one or more series as shall be determined by the Mayor and the City Treasurer, and the amount of bonds of each series to be issued shall be fixed by the Mayor and the City Treasurer. The bonds shall be issued in an amount necessary to meet the City's share of Project costs determined after considering the estimated amounts of grants in aid of the Project and will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the City and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor and the City Treasurer, bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Mayor and the City Treasurer, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Mayor and the City Treasurer, and be approved as to their legality by Bond Counsel. They shall bear such rate or rates of interest (whether fixed or floating) as shall be determined by the Mayor and the City Treasurer. The bonds shall be general obligations of the City and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon and paid from property taxation to the extent not paid from other funds available for the payment thereof. The aggregate principal amount of the bonds of each series, the annual installments of principal, maturity dates, prices, redemption provisions, if any, time of issue and sale, and other terms, details and particulars of such bonds, including the terms of any reserve that might be established as authorized herein, shall be determined by the Mayor and the City Treasurer in the best interests of the City and in accordance with the requirements of the General Statutes of Connecticut, as amended.

Section 4. Said bonds shall be sold by the Mayor and City Treasurer in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City, or comparable method. If the bonds are sold by negotiation the purchase contract shall be approved by the Mayor and City Treasurer.

Section 5. The Mayor and the City Treasurer are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of any series of said bonds. Notes evidencing such borrowings shall be signed by the manual or facsimile signatures of the Mayor and the City Treasurer, have the seal of the City or a facsimile thereof affixed, be payable at a bank or trust company designated by the Mayor and the City Treasurer, be certified by a bank or trust company designated by the Mayor and the City Treasurer pursuant to the General Statutes of Connecticut, as amended, and be approved as to their legality by Bond Counsel. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the City and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of said bonds the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such temporary borrowings then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 6. In connection with the issuance of any bonds or notes authorized herein, the City may exercise any power delegated to municipalities pursuant to Section 7-370b, as may be approved and executed by the Mayor and the City Treasurer, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of authority shall be approved by the Common Council.

Section 7. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Mayor and City Treasurer are authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund future debt service payments on such bonds or notes or to fund any purpose for which bonds of the City are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 8. In order to meet the capital cash flow expenditure needs of the City, the Director of Finance, with notice to and advice from the Mayor and the City Treasurer, is authorized to allocate and reallocate expenditures incurred for the Project to any bonds or notes of the City outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including the bonds and notes and Project herein authorized.

Section 9. The issue of the bonds aforesaid and of all other bonds or notes of the City heretofore authorized but not yet issued, as of the effective date of this Ordinance, would not cause the indebtedness of the City to exceed any debt limit calculated in accordance with law as shown by the "Debt Statement" attached hereto.

Section 10. The Mayor is hereby authorized to spend a sum not to exceed the aforesaid appropriation for the purposes set forth herein, and the Mayor is specifically authorized to make, execute and deliver any contract or contracts, and any other documents necessary or convenient to complete the improvements authorized herein and the financing thereof.

Section 11. The Mayor, the City Treasurer and the Director of Finance are each hereby authorized to apply for and accept any available State or Federal grant in aid of the financing of the Project, and to take all action necessary or proper in connection therewith.

Section 12. The City hereby expresses its official intent pursuant to 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid 60 days prior to and after the date of passage of this ordinance in the maximum amount and for the Project with the proceeds of bonds, notes, or other obligations authorized to be issued by the City. Such obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date as the Regulations may authorize. The City hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of any such reimbursement obligations, and to amend this declaration.

Section 13. The Director of Finance is hereby authorized to exercise all powers conferred by Section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance.

Section 14. This ordinance shall become effective fifteen days after its publication in a newspaper of general circulation in the City pursuant to Section 5 of the City Charter.

ANNUAL RECEIPTS FROM TAXATION AND REIMBURSEMENTS ("BASE") Fiscal Year Ended June 30, 2011		107,186,386
BORROWING CAPACITY FOR EACH CLASS:		
2-1/4 times base for General Purposes		241,169,369
4-1/2 times base for Schools		482,338,737
3-3/4 times base for Sewers		401,948,948
3-1/4 times base for Urban Renewal		348,355,755
3 times base for Unfunded Past Benefit Obligations		321,559,158
MAXIMUM AGGREGATE BORROWING CAPACITY: 7 times Base		750,304,702
INDEBTEDNESS BONDS AND NOTES:		
GENERAL PURPOSES	24,789,430	
SCHOOLS	23,376,320	
SEWERS	3,691,875	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT OBLIGATIONS	-	
BONDS AND NOTES AUTHORIZED BUT UNISSUED		
GENERAL PURPOSES	30,945,331	
SCHOOLS	923,449	
SEWERS	22,154,040	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT OBLIGATIONS	-	
CLEAN WATER FUND LOANS:		
SEWERS	5,761,815	
SUB-TOTAL INDEBTEDNESS	111,642,260	
LESS		
FEDERAL AND STATE OF CONNECTICUT BUILDING GRANTS, COMMITMENTS AND RECEIVABLES		
GENERAL PURPOSE	-	
SCHOOLS	-	
SEWERS	-	
URBAN RENEWAL	-	
TOTAL DEDUCTIONS	0	
NET INDEBTEDNESS LESS TOTAL DEDUCTIONS		111,642,260
BALANCE OF BORROWING CAPACITY FOR EACH CLASS		
GENERAL PURPOSE	185,434,608	
SCHOOLS	458,038,968	
SEWERS	370,341,218	
URBAN RENEWAL	348,355,755	
UNFUNDED PAST BENEFIT OBLIGATIONS	321,559,158	
BALANCE OF MAXIMUM AGGREGATE BORROWING CAPACITY AVAILABLE		638,662,442

Agenda Item

6-1

Councilman Serra reads the Grant Confirmation and Approval for the Mayor’s Office/School Readiness for approval; Councilman Santangelo seconds the motion. The Chair asks if there is any discussion; seeing none, he calls for the vote. It is unanimous to approve with seven aye votes. The Chair states the matter passes unanimously with seven affirmative votes.

Grant Confirmation and Approval – Mayor’s Office/School Readiness

Name of Grant:

School Readiness

Amount

\$66,768.00

Code:

3730-33000-

Grant Period:

From: 7/1/2012 To: 6/30/201

Type of

State

Amount Loaned from General

\$66,768.00

Department Administering

Mayor’s Office/Superintendent of Schools/School Readiness Council

When any department, commission, office or agency is the recipient of any federal, state or other grant allocated for specific purposes, these funds shall be immediately transferred to the specific unit which has made application for such grant. Confirmation and approval of such transfer shall be given at the next regularly scheduled sessions of the Common Council. Notwithstanding any other Charter provision, the action of the Common Council in confirming and approving such transfer shall be an appropriation; no public hearing thereon shall be required and said funds may then be expended for the purposes for which they were granted.

Description of services to be provided by this At the July 2012 Council Meeting, a grant confirmation in the amount of \$1,925,782 was approved for the School Readiness Program. The State has recently sent notification that an additional \$66,768 will be awarded to the City, bringing the total to \$1,992,550 for the School Readiness Program. Funds from this grant are used to: 1) increase the number of accredited and/or approved slots for young children in order to provide access to high quality preschool; 2) significantly increase the number of slots for young children to receive full day, full year child care services to meet family needs and to enable parents to become employed; 3) establish a shared cost for such early care and education programs among the State, its various agencies, the community and families.

Requested by: Mayor Daniel T. Drew

Motion to Adjourn

Councilman Serra moves to adjourn and his motion is seconded by Councilman Faulkner. The vote is called and it is unanimous with seven aye votes. The Chair declares the meeting adjourned at 6:45 p.m.

ATTEST:

MARIE O NORWOOD
Common Council Clerk